U.S. Department of Labor

Wage and Hour Division Washington, D.C. 20210



MAR 2 3 2016 MEMORANDUM NO. 219

TO:

ALL CONTRACTING AGENCIES OF THE FEDERAL GOVERNMENT AND THE DISTRICT OF COLUMBIA

FROM:

Dr. David Weil Mil Will

Administrator

SUBJECT:

Fiscal Year 2016 Davis-Bacon Survey Plan

Fiscal Year 2017 Davis-Bacon Survey Plan Under Consideration

This Memorandum is notification from the Department of Labor's (DOL) Wage and Hour Division (WHD) of its FY 2016 Davis-Bacon Wage Survey Plan. The Memorandum also seeks input from stakeholders concerning the FY 2017 Davis-Bacon Wage Survey Plan currently in development.

Construction contracts subject to the Davis-Bacon and related Acts (DBRA) must contain a prevailing wage determination (WD). The wages on the WD are typically determined by WHD surveys of ongoing or recently completed construction projects within a geographic area. WHD conducts surveys of projects under construction or completed during a set survey time frame in an effort to gather specific wage rate data paid to the various classifications of workers found on construction projects. Federal and federally assisted construction work is broken out into four different types of construction — Heavy, Highway, Building and Residential — for which WHD gathers wage rate data and issues wage determinations.

WHD uses established criteria to determine where to survey in an upcoming year, including 1) the age of the previous survey, 2) federal agency plans for construction, including construction that receives federal financial assistance agency plans for construction, 3) whether stakeholders have requested a new survey of a construction type in a state or locality, and 4) whether after reviewing public and private data sources, WHD believes that wages in a locality have sufficiently changed that a the previous survey may no longer reflect current conditions in the local labor market.

¹ The Davis-Bacon Act (DBA) requires that each contract over \$2,000, "to which the Federal Government or the District of Columbia is a party, for construction, alteration or repair, including painting and decorating, of public buildings and public works . . . shall contain a provision stating the minimum wages to be paid" to "all mechanics and laborers employed directly upon the site of the work." 40 U.S.C. 3142(a), (c). The minimum wages to be paid are those that the Secretary of Labor determines to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the locality where the work is to be performed. *Id.* at 3142(b). In addition to the DBA itself, Congress has added DBA prevailing wage provisions to numerous laws – so-called "related Acts" – under which Federal agencies assist construction projects through grants, loans, guarantees, insurance and other methods.

As part of its comprehensive review of the survey process and procedures, WHD has determined that stakeholders may possess additional data about local construction trends that could inform the survey selection process. Accordingly, WHD is notifying stakeholders of its list of surveys that will begin in FY 2016, and is also providing a tentative list of its planned surveys for FY 2017. Stakeholders can find the list of 2016 surveys, as well as the list of surveys that are currently in progress (including their status), at http://www.dol.gov/whd/programs/dbra/Survey/status.htm.

WHD is specifically requesting input from stakeholders relating to the proposed FY 2017 surveys. In particular, WHD is seeking information from stakeholders by May 1, 2016 concerning WHD's selection of the proposed states and construction types, including data identifying additional states or localities that WHD should survey as well as information indicating that a particular survey would not yield sufficient wage data or that wages in a locality have not substantially changed since the last survey. WHD will consider this information in its determination of a final list of survey locations for FY2017.

FY 2016

The FY 2016 Survey Plan consists of 10 new surveys. Listed below are the planned surveys, listed by state and type of construction to be surveyed:

DOL Midwest Region:

Kansas (statewide) -- Highway

DOL Northeast Region:

- New York (Jefferson, Madison, Onondaga, and Oswego Counties) -- Building
- Virginia (statewide) -- Highway
- Connecticut (statewide) -- Building

DOL Southeast Region:

- Alabama (statewide) -- Highway
- North Carolina (statewide) -- Residential
- South Carolina (statewide) -- Residential

DOL Southwest Region:

New Mexico Metropolitan Counties -- Building and Heavy

DOL Western Region:

- Alaska (statewide) -- Residential
- Guam -- Building, Heavy, Highway, and Residential

Prior to the start of a survey, a Regional Wage Specialist (RWS) will conduct briefings to explain the survey process in detail. The briefings will include information on how to participate in the survey as well as how to complete both the electronic and mailed survey forms. The RWS may also contact state and local agencies to obtain certified payrolls on any projects that are within the scope of the surveys being conducted.

FY 2017

Listed below are the states and construction types currently under consideration for surveys in FY 2017.

DOL Midwest Region:

- Indiana (statewide) -- Building
- Minnesota (statewide) -- Residential

DOL Northeast Region:

- New York (all rural counties) -- Building
- Pennsylvania (statewide) -- Residential

DOL Southeast Region:

• Tennessee (statewide) -- Building

DOL Southwest Region:

- Oklahoma (certain counties) Residential
- New Mexico Rural Counties Building and Heavy

DOL Western Region

- Guam -- Building, Heavy, Highway, and Residential
- Idaho (statewide) -- Residential
- California (certain counties) Building
- Nevada Highway

If you have suggestions regarding geographic areas and construction types that you believe should be considered for the FY 2017 Survey Plan, please send your suggestions via email to <u>DB-Wage-Survey-Request@dol.gov</u> no later than May 1, 2016.

For more information regarding the Davis-Bacon and related Acts and WHD's Davis-Bacon survey program, please visit our web site at:

http://www.dol.gov/whd/programs/dbra/index.htm

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